

Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 05694 181005Z

17

ACTION EUR-12

INFO OCT-01 IO-10 ISO-00 EB-07 COME-00 SS-15 STR-04 L-03

ERDA-05 CIAE-00 H-02 INR-07 NSAE-00 OIC-02 OMB-01

PA-01 PM-03 PRS-01 SAJ-01 SAM-01 SP-02 TRSE-00

DODE-00 NSC-05 ACDA-05 BIB-01 NSCE-00 SSO-00 USIE-00

INRE-00 CU-02 CIEP-01 /092 W

----- 109770

O R 180932Z JUL 75

FM USMISSION GENEVA

TO SECSTATE WASHDC IMMEDIATE 4722

INFO USMISSION EC BRUSSELS

USMISSION NATO

AMEMBASSY MOSCOW

LIMITED OFFICIAL USE GENEVA 5694

FOR EUR/RPM AND EB/ITP/EWT (TARTTER)

EO: 11652: N/A

TAGS: CSCE PFOR XG EEW

SUBJ: CSCE: BASKET II - TRADE ISSUES

REF: A. STATE 168103; B. GENEVA 5638

SUMMARY. CSCE BASKET II COMPLETED ALL SUBSTANTIVE WORK MIDNIGHT JULY 17. RECIPROCITY/MFN ISSUE RESOLVED BY INSERTING LINK BETWEEN TWO CONCEPTS IN TRADE SECTION PREAMBLE. U.S. ALSO MADE STATEMENT FOR OFFICIAL RECORD DESCRIBING CONDITIONS UNDER WHICH WE WILLING AND ABLE EXTEND MFN. END SUMMARY.

1. APPRECIATE HELPFUL GUIDANCE REFTEL. WE INFORMED USSR OF OUR CONTINUING INSISTENCE ON LINK BETWEEN MFN AND RECIPROCITY, AND IN BILATERAL NEGOTIATIONS WITH THEM, AGREED THAT TRADE SECTION PRE-AMBULAR PARAGRAPH PREVIOUSLY REGISTERED SHOULD BE MODIFIED TO LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 05694 181005Z

READ AS FOLLOWS: "RECOGNIZING THAT TRADE REPRESENTS AN ESSEN-

TIAL SECTOR IN THEIR CO-OPERATION AND BEARING IN MIND THAT THE PROVISIONS CONTAINED IN THE GENERAL PREAMBLE APPLY IN PARTICULAR TO THIS SECTOR." THUS RECIPROCITY PROVISION IN GENERAL PREAMBLE CLEARLY LINKED TO SUBSEQUENT MFN TEXT IN TRADE SECTION. EC AND CANADA, WHO HAD PREDICTED USSR WOULD NOT BE WILLING ACCEPT LINK, PLEASED WITH THIS IMPROVEMENT IN TEXT. (NOTE: IN NATO CAUCUS, WE EXPRESSED U.S. DISAPPOINTMENT AND RESENTMENT THAT EC HAD NEGOTIATED ON A TEXT ON MFN, WHICH OF PRIME INTEREST TO U.S., DIRECTLY WITH SOVIETS WITHOUT COORDINATING WITH US OR KEEPING US INFORMED.)

2. DESPITE LINK ACHIEVED IN TEXTS, WE CONSIDERED IT DESIRABLE TO PUT U.S. VIEWS ON MFN ISSUE IN OFFICIAL RECORD. U.S. STATEMENT IN JULY 17 COMMITTEE II JOURNAL READS AS FOLLOWS: "IN ACCEPTING THIS REFERENCE TO MFN, I AM INSTRUCTED TO POINT OUT THAT MY GOVERNMENT CONSIDERS THAT MFN WOULD BE EXTENDED BY US ONLY ON A BASIS OF EFFECTIVE RECIPROCITY AND THAT THE DEFINITION OF RECIPROCITY IN THE PREAMBLE, AS APPLIED TO MFN, CONVEYS THIS POINT IN A MANNER SATISFACTORY TO US. ALSO, IN CERTAIN CASES, THE UNITED STATES CAN EXCHANGE MFN ONLY AS A PART OF BILATERAL TRADE AGREEMENTS. IN THIS CONNECTION, WE CONSIDER REFERENCES TO SUCH AGREEMENTS IN BOTH THE GENERAL PREAMBLE AND THE TRADE SECTION COVER THIS POINT." WE INFORMED USSR IN ADVANCE OF INTENTION MAKE THIS STATEMENT. THEY EXPRESSED UNHAPPINESS ABOUT OUR DOING SO, BUT DID NOT MAKE MAJOR ISSUE OF MATTER.

3. REMAINDER OF TEXT TRANSMITTED REFTEL (B) APPROVED WITH ONLY MINOR CHANGES. OTHER OUTSTANDING PROPOSALS (ALL RELATIVELY MINOR) WITHDRAWN, AND COMMITTEE AGREED ON ARRANGEMENT OF ALL BASKET II TEXTS, THIS COMPLETING SUBSTANTIVE WORK. FINAL HOUSEKEEPING MEETING BEING HELD MORNING JULY 18.

4. RECIPROCITY TEXT, WHICH SLIGHTLY MODIFIED FROM REFTEL (B) VERSION, WAS ADOPTED AS FOLLOWS: "RECOGNIZING THAT SUCH CO-OPERATION, WITH DUE REGARD FOR THE DIFFERENT LEVELS OF ECONOMIC DEVELOPMENT, CAN BE DEVELOPED, ON THE BASIS OF EQUALITY AND MUTUAL SATISFACTION OF THE PARTNERS, AND OF RECIPROCITY PERMITTING, AS A WHOLE, AN EQUITABLE DISTRIBUTION OF ADVANTAGES AND OBLIGATIONS OF COMPARABLE SCALE, WITH RESPECT FOR BILATERAL AND MULTILATERAL AGREEMENTS." DALE
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 05694 181005Z

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, TRADE, COMMITTEES, RESOLUTIONS, BASKET II
Control Number: n/a
Copy: SINGLE
Draft Date: 18 JUL 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: KelleyW0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975GENEVA05694
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750248-0722
From: GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750743/aaaabmqe.tel
Line Count: 107
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 STATE 168103, 75 GENEVA 5638
Review Action: RELEASED, APPROVED
Review Authority: KelleyW0
Review Comment: n/a
Review Content Flags:
Review Date: 23 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23 APR 2003 by ShawDG>; APPROVED <27 OCT 2003 by KelleyW0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CSCE: BASKET II - TRADE ISSUES
TAGS: PFOR, EEW, XG, CSCE
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006